



# WAIMAKARIRI **Our District**

**Annual Report Summary 2020-2021**  
A YEAR IN REVIEW



A copy of the full Annual Report is  
available at [waimakariri.govt.nz](http://waimakariri.govt.nz)

**MAKING WAIMAKARIRI A GREAT PLACE TO BE**

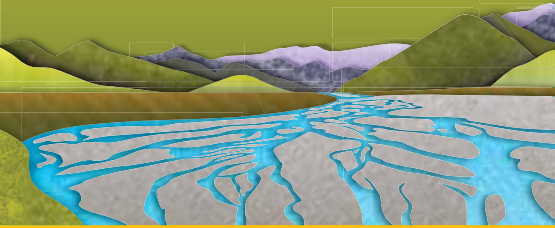






PAGE 2

## MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE



PAGE 4

## WHERE WE SPENT YOUR RATES



PAGE 6

## COMMUNITY OUTCOMES



PAGE 8

## OVERALL SERVICE PERFORMANCE RESULTS



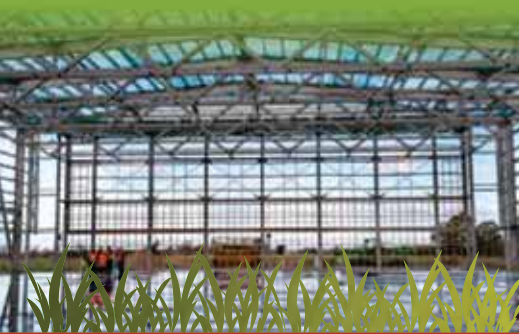
PAGE 10

## HIGHLIGHTS FOR THE YEAR



PAGE 11

## RECREATION



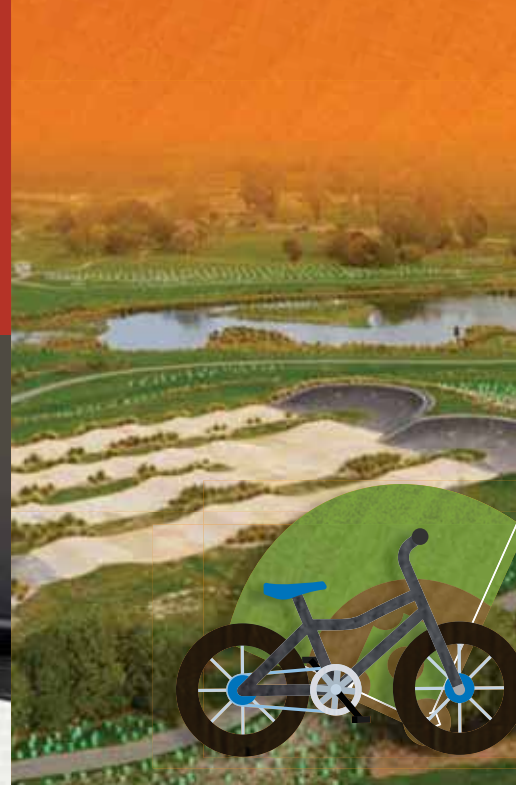
PAGE 12

## INFRASTRUCTURE SERVICES



PAGE 14

## PLANNING



PAGE 15

## OUR FINANCES



PAGE 24

## INDEPENDENT AUDITORS REPORT



# Message from the Mayor and Chief Executive

The Waimakariri District is continuing to flourish. In this past year we have seen ongoing growth in businesses, population, and improvements in infrastructure.

It's been a busy year with both significant milestones as well as some challenges.

Early in the year, the Council warmly welcomed new Chief Executive Jim Harland.

Mr Harland was most recently the Director of regional relationships for Waka Kotahi NZ Transport Agency. Before joining the transport agency, Jim was Chief Executive of Dunedin City Council for 11 years and prior to that, held the position of Director of Strategy and Policy, then Policy and Planning at North Shore City Council.

This followed senior roles in local government and the private sector, specialising in strategic thinking, tourism, change management and leadership of complex projects.

One of the first challenges for our new Chief Executive was to help the community recover from a significant flooding event caused by heavy rainfall in late May.

While four areas in Waimakariri were evacuated as a precaution during peak rainfall and high tide times (The Pines Beach/Kairaki, areas near the Eyre River, an area north of Fernside and a small number of homes near the Okuku River), thankfully the amount of damage across the District was low. It is pleasing to note that there were no injuries. However, we do acknowledge that Lees Valley was cut off for a significant period of time and the Council worked hard with affected residents to support them through this difficult time.

For over 11 days, Council staff operated an Emergency Operations Centre and offered welfare support to affected residents, assessed buildings impacted by flood water, repaired damaged storm water infrastructure, and worked to reopen roads. It was a great example of the requirement for boots on the ground in getting the District back up and running quickly. Subsequently we are working with Environment Canterbury around future river flood mitigation works and funding.

The Council was also progressing our 2021–2031 Long Term Plan (LTP).

The LTP was focused on providing infrastructure and facilities for a growing community (likely to be around 95,000 by 2050), supporting Covid-19 economic recovery, responding to climate change and considering the impact of the Government's Three Water Infrastructure Review.

It prioritised investment in public infrastructure, services and facilities to ensure the District continues to be an attractive area to work and live.

Councillors received and deliberated on 163 formal submissions before the plan in June which resolved to:

- Secure land in Pegasus and Ravenswood/north Woodend and look to build a community facility in Pegasus by 2024/2025. Investigate possible community facilities in Ravenswood/north Woodend by 2029/2030 to secure future opportunities for these growing communities.
- Defer the upgrade of the Trevor Inch Memorial Library

and Rangiora Civic Building to 2028 and revisit this proposal in the next Long Term Plan.

- Purchase land and set aside budget to build a parking building in the Rangiora town centre. This will be subject to a future decision and if agreed is aimed to be complete by 2030/2031.

The LTP process also saw the Council maintain its AA long-term and A-1+ short-term credit rating with a stable outlook from Standard and Poor's.

The AA rating equates the Council with New Zealand's national credit rating – the 'sovereign rating'. Standard and Poor's does not rate any individual Council higher than the sovereign rating.

There were a number of roading projects progressed this year but one of the more significant was the opening of Bob Robertson Drive – a new arterial road which connects Ravenswood, Woodend through to SH1 at the Pegasus roundabout.

The road has been an integral part of the overall master plan for the integration of the Ravenswood subdivision with Pegasus, Woodend and Rangiora and was constructed in sections as commercial and residential stages were built over the years.

Ravenswood is one of the largest residential developments in the District in recent years with approximately 1350 residential lots and commercial area with significant road and Three Waters infrastructure constructed.

A number of residents have expressed how this piece of infrastructure makes moving about the District so much easier.



This is a good reminder of the role Council assets have in making an area a great place to live.

Development across the District continues at a pace as does migration from across New Zealand. Requests for building consents are at a level unseen since the rebuild following the Canterbury Earthquakes and requests for LIM reports have also hit record levels.

Because of this ongoing growth, it's important we ensure development in Waimakariri is progressed in a sustainable way.

Shortly, the Council is going to notify the Proposed District Plan – a statutory document that provides rules for how people can build on or develop land, whether it is residential, commercial or rural.

This is the culmination of significant work which has included touching base with the community at various times over recent years to make sure our proposed plan is in line with the community's aspirations for Waimakariri.

As well as these significant milestones, there have been a few hurdles along the way.

As mentioned earlier, central Government is looking to reform Three Waters services. Along with this, they are also looking to repeal and replace the Resource Management Act (RMA) and undertake a review of the Future for Local Government.

These processes are all taking place concurrently and will significantly impact how essential services are offered to our residents in the future and what services will be offered by councils.

The Council is having to allocate a lot of time and resource to responding to these reform processes which are all being undertaken with urgency.

Like the rest of New Zealand, we have also had to learn how to work and continue offering essential services within the constraints

of Covid-19. Through the various changes to Alert Levels and lockdowns, our staff have responded extraordinarily and continued to ensure core services are offered and the District is ready to quickly re-open facilities and begin offering public services when allowed.

A major highlight for the year will be the opening of MainPower Stadium.

At 6,000m<sup>2</sup> in size and featuring four full-sized basketball courts, the \$28m multi-use community sports facility is the largest ever constructed in the District.

Local sporting clubs have been eagerly awaiting the opening as the District's expanding population and participation numbers have outgrown available court space. It will also provide our young people easier access to high quality sport and activities and help inspire our next generation of athletes.

This was a project identified through our last LTP and we look forward to welcoming and showing residents through during the open day to be held in August.

We would like to thank the community for their support throughout this past year – a year like no other! We are looking forward to delivering a significant work programme in the coming year to start giving effect to the Long Term Plan.



**Dan Gordon**  
Mayor



**Jim Harland**  
Chief Executive



# Where We Spent Your Rates

**We deliver a broad range of services to our community in return for payment of rates.**

This is a selection of the services we've provided over the year and the cost per day to you the ratepayer. These costs are based on average rates for properties where the service is provided.



## Governance



## Roads and Footpaths



## Libraries





## Planning

(Admin, District Development,  
Civil Defence)



## Economic Development

(Promotion CBA's)



## Stormwater Drainage

(Urban & Rural areas)



## Swimming Pools



## Sewage Disposal



## Water and Water ways



## Community Buildings



## Parks and Reserves



## Canterbury Museum



## Health and Safety

Cemeteries, Rural Fire, Health,  
Animal & Buildings control)



## Earthquake Recovery



## Waste Collection and Disposal





# Community Outcomes

**Community Outcomes describe how Waimakariri District Council aims to achieve meeting the current and future needs of our communities with good-quality local infrastructure, providing local public services and performance of regulatory functions.**

Community outcomes set the direction for our Long Term Plan (LTP) and all activities included in the 2018-2028 LTP that the Council undertakes contribute towards achieving these outcomes. The key groups of activities that contribute to each outcome are displayed.

The *Local Government Act 2002* requires Council to promote the following four Community Wellbeings in the present and for the future. Each Community Outcome is associated with one or more Wellbeing.



**Social Wellbeing**



**Environmental Wellbeing**



**Cultural Wellbeing**



**Economic Wellbeing**



**There is a safe environment for all.**

- Community Leadership, Property Management, Infrastructure Services and Community Services



**There are areas of significant indigenous vegetation and habitats for indigenous fauna.**

- Community Services, Council Controlled Organisations and Community Leadership



**There are wide ranging opportunities for people to contribute to the decision making that effects our District.**

- Community Leadership



**Our community's needs for health and social services are met.**

- Community Leadership



**Effect is given to the principles of the Treaty of Waitangi.**

- Community Leadership



**There is a healthy and sustainable environment for all.**

- Community Leadership and Infrastructure Services







**Public spaces and facilities are plentiful, accessible and high quality.**

- Community Services



**People have wide-ranging opportunities for learning and being informed.**

- Community Services



**Core utility services are provided in a timely and sustainable manner.**

- Infrastructure Services and Council Controlled Organisations



**The distinctive character of our takiwā - towns, villages and rural areas is maintained.**

- Community Leadership and Council Controlled Organisations



**The community's cultures, arts and heritage are conserved and celebrated.**

- Community Services and Council Controlled Organisations



**People are friendly and caring, creating a strong sense of community in our District.**

- Community Services and Community Leadership



**Transport is accessible, convenient, reliable and sustainable.**

- Infrastructure Services



**Businesses in the District are diverse, adaptable and growing.**

- Community Leadership and Council Controlled Organisations







# Overall Service Performance Results

**Non-financial performance measures have set targets to assess things like responsiveness, health and safety, timeliness and legislative compliance. They also link to and demonstrate how the activities the Council undertakes contribute to outcomes sought by the community.**

Overall the results for the 2020/2021 financial year show 71 per cent of all measures achieved, this is a two percent reduction on 2019/2020.

## Measures that were not met

### District Development

- Supply of land identified for urban residential use (186ha, target 250ha)
- The percentage of resource consents issued within statutory timeframes (93%, target 100%)

### Roads and Footpaths

- The change from the previous financial year in the number of fatalities and serious injury

crashes on the local road network (four more fatalities and 12 more serious crashes on the local road network compared with the previous year)

- The percentage of the sealed local road network that is resurfaced (3.89%, target 5%)

### Water Supply and Quality

- The extent to which drinking water complies with the drinking water standards:
  - Bacterial compliance – Not fully compliant
  - Protozoal compliance – Not fully compliant
- The number of events that cause water not to be available for more than eight hours (one, target Nil)

### Stormwater drainage

- Rural drainage areas requests for drain cleaning responded to within five days (94%, target 100%)
- Breaches of consent conditions that result in an Environment Canterbury report identifying compliance issues (one, target Nil)

### Stockwater

- The number of water outages exceeding 24 hours duration (four, target Nil)

### Refuse and Recycling

- Reduction in annual per capita quantity of waste to landfill (296kg compared to 298.6kg last year)

### Recreation

- Annual satisfaction survey of the sports grounds (Survey not completed)

### Community Protection

- Environmental Health Services - Percentage of all licensed alcohol premises inspected at least once per annum (54%, target 95%)
- Animal Control - The percentage of calls for wandering stock on roads responded to within one hour (83%, target 90%)
- Inspect pool barriers every three years (22%)

### Property Management

The percentage of Health and Safety, and urgent maintenance service requests responded to within 24 hours (79%, target 100%)

- Council Controlled Organisations - Enterprise North Canterbury (ENC)
  - Assessment by New Zealand Trade and Enterprise of ENC services through annual customer survey (not measured)
  - Business seminars and workshops delivered (14 with a target of 20).

### Measures that almost achieved target

- Percentage of Council agenda items of business that are open to the public (89.7%, target 90%)
- Percentage of Council, Committee and Community Board meetings held per quarter (95%, target 100%)
- Roads and Footpaths – Percentage of customer service requests relating to roads and footpaths responded to within service delivery standards (94%, target 95%)
- Water Supply and Quality - Percentage of real water loss from the networked reticulation system based on 240 litres per connection per day (25%, target 22%)
- Stockwater – Percentage of service requests responded to within 48 hours (98%, target 100%)
- Stormwater Drainage – Percentage of service requests relating to any drainage enquiries that are responded to within 5 working days (96%, target 100%)
- Refuse and Recycling – Southbrook Resource Recovery park is open at least 360 days for the financial year (359.65 days)
- Recreation – Customer satisfaction with meeting and performance spaces, as measured by an annual survey of facility users (89.88%, target 90%)

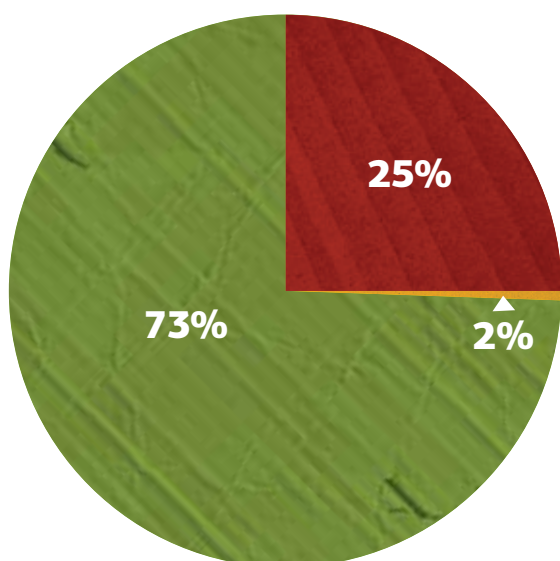
- Animal Control – Percentage of complaints for serious dog attacks responded to within 1 hour (96%, target 100%)
- Percentage of Code Compliance Certificates (CCC) applications issued in 20 working days (99.5%, target 100%)
- Percentage of Project Information Memoranda (PIM) applications issued in 20 working days (99.5%, target 100%).

### Measures in progress

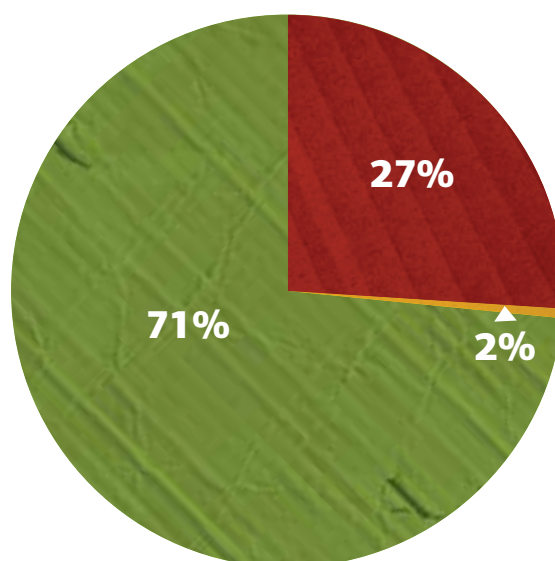
- Red Zone Regeneration
  - Recreation and Ecological Linkages
  - Heritage and Mahinga Kai.

## Performance results

2019/2020



2020/2021



- Met or exceeded target
- Not met target
- Two projects, not due for completion until 2022 and 2024 respectively.

Of the 107 measures, 71% (76) were completed or met, with 27% (29) not being met. Of the measures not met, there were 11 (or 10% of the total measures) within 5% of the measure being met. Two other projects (2% of the total measures) are not due for completion until 2022 and 2024 respectively.





# HIGHLIGHTS FOR THE YEAR





# Recreation



Public spaces and facilities are plentiful, accessible and high quality.



There is a safe environment for all.

## Multi-use Sports Facility (MainPower Stadium)

Progress on MainPower Stadium has continued at pace and the Council is looking forward to welcoming the community to view the \$28m facility in August.

At 6,000m<sup>2</sup> in size and featuring four standard-size courts, the community facility will be the largest in the Waimakariri District. It will be managed by the North Canterbury Sport & Recreation Trust (NCSRT) who say local sporting clubs have been eagerly awaiting the opening as the District's expanding population and participation numbers have outgrown available court space.



Photos by Anthony Turnham

## Kaiapoi Community Hub

A new community hub in Kaiapoi is one step closer to being realised after the Kaiapoi-Tuahiwi Community Board approved its location in the Kaiapoi South Regeneration Area – following community engagement.

The proposed community hub site is on regeneration land on the corners of Charters Street and Courtenay Drive in Kaiapoi South.

Community hubs are flexible spaces that can be used for different recreation, arts and hobby activities, and social and cultural activities.

The project enters the design and resource consenting stages in the coming year.



# Infrastructure Services



Transport is accessible, convenient, reliable and sustainable.



Core utility services are provided in a timely and sustainable manner.



Public spaces and facilities are plentiful, accessible and high quality.



## Flaxton Road Upgrade

The upgrade of Flaxton Road through the Southbrook industrial area and construction of a roundabout at the intersection of Flaxton and Fernside Roads has been completed.

This exciting project provides a safe intersection and reinforces Southbrook as a main entrance to Rangiora.







## Opening of Bob Robertson Drive

Bob Robertson Drive was opened this year. This new arterial road connects Ravenswood, Woodend through to SH1 at the Pegasus roundabout.

The road has been an integral part of the overall master plan for integration with Pegasus, Woodend and Rangiora and was constructed in sections as commercial and residential stages were built over the years.



## Walking and Cycling

Significant progress has been made on cycleway infrastructure across the District. In the last year the walking and cycling connection between the Christchurch Northern Corridor and Kaiapoi South at Vickery Street was complete and is proving popular with users.

The Council has started building the next link - a neighbourhood greenway through Vickery Street and Peraki Street connecting to the Mafeking Bridge and on to the Passchendaele Memorial Path to Rangiora.

This work helps to achieve the vision of the Council's Walking and Cycling Strategy which includes providing walking and cycling infrastructure between Waimakariri's population centres enabling more choice for residents and visitors on how they travel around the District.



# Planning



There is a safe environment for all.



The distinctive character of our takiwā - towns, villages and rural areas is maintained.



## New Tsunami Zones

The Waimakariri District Council has updated tsunami evacuation zones in response to scientific modelling that showed flooding from a tsunami could travel further inland than previously thought.

The District now has three tsunami evacuation zones:

red, orange and yellow, and the Council is encouraging residents to check their property and learn more about the zones.

The new tsunami evacuation zones will be reflected in Land Information Memorandums (LIMs).



## District Plan Notified Shortly

Later this year the Proposed District Plan will shortly be notified.

The District Plan is the 'rule book' that manages how people use, subdivide and develop land, including what and where they can build, and what kind of activities they can undertake.

The Council is required to review its District Plan every 10 years and this is a significant project. We expect that the Proposed District Plan will become operative within two years following the hearings and appeals process.





# OUR FINANCES





## Financial Statements

### Statement of Comprehensive Revenue and Expense

For The Year Ended 30 June 2021

	Group 2021 Actual \$'000	Parent 2021 Actual \$'000	Parent 2021 Budget \$'000	Group 2020 Actual \$'000	Parent 2020 Actual \$'000
<b>Financial Performance</b>					
Total operating revenue	137,661	137,661	122,139	113,473	113,473
Finance costs	5,811	5,811	6,338	5,619	5,619
Other operating expenditure	109,423	109,423	97,367	106,451	106,451
Other gains	9,352	9,352	145	1,373	1,373
Plus Share of Associates	(9)	-	-	(2)	-
Net Surplus/(Deficit) before Taxation	31,769	31,778	18,579	2,774	2,776
Less Taxation expense	-	-	-	-	-
<b>NET SURPLUS/(DEFICIT)</b>	<b>31,769</b>	<b>31,778</b>	<b>18,579</b>	<b>2,774</b>	<b>2,776</b>
<b>Other comprehensive revenue and expense</b>					
Gain/(Loss) on asset revaluation	2,833	2,833	4,381	46,306	46,306
Increase/(decrease) in asset revaluation reserve due to Impairment & impairment reversal	-	-	-	-	-
Financial assets at fair value through other comprehensive revenue and expense	(397)	(397)	-	(59)	(59)
<b>TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>2,436</b>	<b>2,436</b>	<b>4,381</b>	<b>46,247</b>	<b>46,247</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>34,205</b>	<b>34,214</b>	<b>22,960</b>	<b>49,021</b>	<b>49,023</b>

### Statement of Changes in Net Assets/Equity

For The Year Ended 30 June 2021

	Group 2021 Actual \$'000	Parent 2021 Actual \$'000	Parent 2021 Budget \$'000	Group 2020 Actual \$'000	Parent 2020 Actual \$'000
<b>EQUITY AT BEGINNING OF THE YEAR</b>	<b>1,738,182</b>	<b>1,734,460</b>	<b>1,789,760</b>	<b>1,689,161</b>	<b>1,685,437</b>
Prior period adjustment	-	-	-	-	-
<b>OPENING BALANCE RESTATED FOR PRIOR PERIOD ADJUSTMENT</b>	<b>1,738,182</b>	<b>1,734,460</b>	<b>1,789,760</b>	<b>1,689,161</b>	<b>1,685,437</b>
Net Surplus/(Deficit) for the year	31,769	31,778	18,579	2,774	2,776
Other comprehensive revenue and expense	2,436	2,436	4,381	46,247	46,247
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR</b>	<b>34,205</b>	<b>34,214</b>	<b>22,960</b>	<b>49,021</b>	<b>49,023</b>
<b>EQUITY AT END OF THE YEAR</b>	<b>1,772,387</b>	<b>1,768,674</b>	<b>1,812,720</b>	<b>1,738,182</b>	<b>1,734,460</b>

### Statement of Financial Position

As at 30 June 2021

	Group 2021 Actual \$'000	Parent 2021 Actual \$'000	Parent 2021 Budget \$'000	Group 2020 Actual \$'000	Parent 2020 Actual \$'000
Current Assets	41,653	41,653	30,701	43,985	43,985
Non-current Assets	1,938,096	1,934,384	2,001,443	1,895,693	1,891,972
<b>TOTAL ASSETS</b>	<b>1,979,749</b>	<b>1,976,037</b>	<b>2,032,144</b>	<b>1,939,678</b>	<b>1,935,957</b>
Current Liabilities	46,817	46,817	53,698	47,839	47,839
Non-current Liabilities	160,546	160,546	165,726	153,658	153,658
<b>TOTAL LIABILITIES</b>	<b>207,363</b>	<b>207,363</b>	<b>219,424</b>	<b>201,497</b>	<b>201,497</b>
Accumulated general equity	902,714	899,682	893,564	870,599	867,558
Other reserves	4,996	4,996	5,889	4,902	4,902
Revaluation reserve	864,678	863,996	913,267	862,682	862,000
<b>TOTAL EQUITY</b>	<b>1,772,387</b>	<b>1,768,674</b>	<b>1,812,720</b>	<b>1,738,182</b>	<b>1,734,460</b>

## Statement of Cash Flows

For The Year Ended 30 June 2021

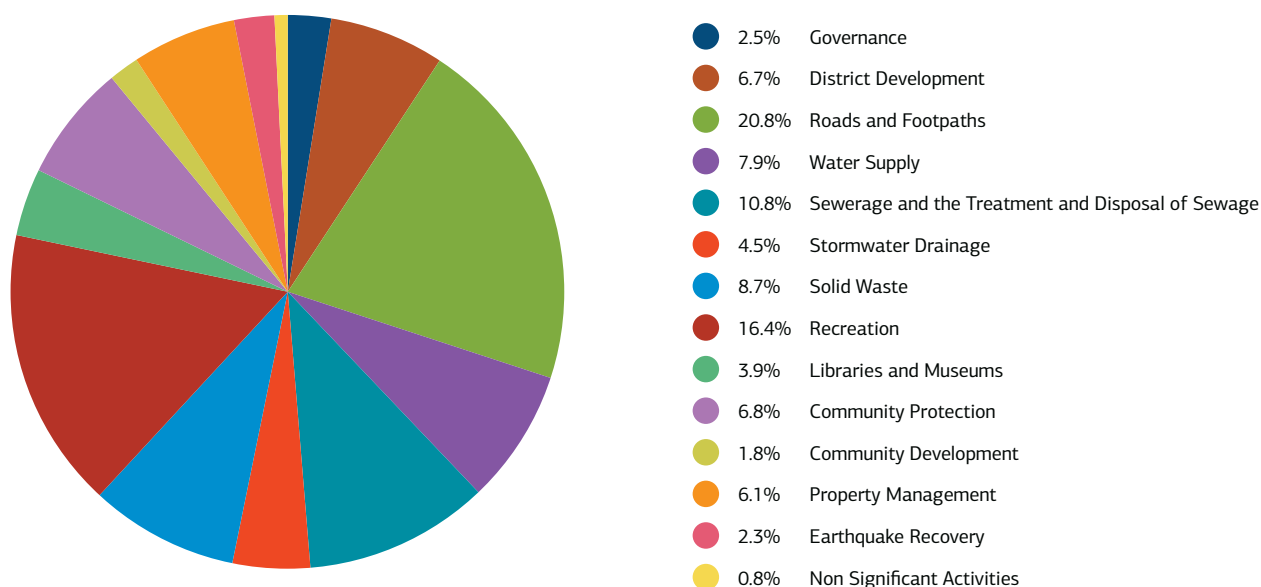
	Group 2021 Actual \$'000	Parent 2021 Actual \$'000	Parent 2021 Budget \$'000	Group 2020 Actual \$'000	Parent 2020 Actual \$'000
Cashflows from operating activities	41,384	41,384	33,375	22,858	22,858
Cashflows from investing activities	(59,936)	(59,936)	(57,821)	(30,440)	(30,440)
Cashflows from financing activities	10,000	10,000	22,592	15,000	15,000
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>(8,552)</b>	<b>(8,552)</b>	<b>(1,854)</b>	<b>7,418</b>	<b>7,418</b>
Plus opening cash balance	27,359	27,359	18,891	19,941	19,941
<b>CLOSING BALANCE</b>	<b>18,807</b>	<b>18,807</b>	<b>17,037</b>	<b>27,359</b>	<b>27,359</b>

## Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

## Expenditure Summary

The chart below shows how expenditure was spread among Council's activities. Council's total operating expenditure for 2020/21 was \$115.2m.



## Financial overview

Under the provisions of the Local Government Act (LGA) 2002 (s.101) Council is required to manage its revenues, expenses, assets, liabilities, investments and general dealings prudently and in a manner that promotes the current and future interests of its community.

The Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses (breakeven).

The Annual Report shows that Council recorded a net surplus before taxation for the year ended 30 June 2021 of \$31.8m, which was \$13.2m more than budget. The surplus was \$2.8m for the 2019/20 financial year.

### Revenue and other gains were \$26.0m over budget

Subsidies and grants \$6.6m over budget due to Government subsidies on Shovel Ready/Stimulus Funded projects (not budgeted).

Other revenue was \$5.6m over budget mainly due to other general recoveries including recoveries from private works, increased rates penalties, more than budgeted connection fees/lump sum contributions to connect to Council's infrastructural facilities and transfer station gate sales from district building activities and contaminated recycling. Resource/building consents were more than budgeted due to increased workload.



Development contributions were \$3.1m under budget as major developments wait to get to next stage of their development.

Vested assets were \$5.9m over budget due to development activities in Kaiapoi and Woodend.

Other gains of \$9.4m (\$9.2m more than budgeted) contains gains on revaluation of interest rate swaps of \$8.0m, gain on revaluation of forestry of \$0.9m and gain on revaluation of investment property of \$0.3m.

### **Operating expenses were \$11.5m over budget**

Capital expensed of \$4.7m are costs incurred but which do not form part of the final assets and was not budgeted.

Loss on disposal of fixed and other infrastructural assets was \$1.6m more than budget mainly due to unbudgeted write-offs of old asset values that were subsequently replaced.

Loss on revaluation of investment properties was \$4.1m and was not budgeted.

### **Other comprehensive revenue and expense**

The Council recorded a \$2.8m gain on asset revaluation (budget \$4.4m). As at 30 June 2021, Council revalued its roading assets.

### **Financial Position**

Total assets were \$56.1m under the budget mainly due to delays of the asset capital programme.

Total liabilities were \$12.1m less than the budget as less external borrowings were required as a result of delays in Council's capital programme.

### **Financial Benchmarking**

There are no major variances in the Council's financial performance

in relation to various benchmarks which enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

### **Specific disclosures**

The specific disclosures in the summary financial statements have been extracted from the full financial statements.

The full financial statements were authorised for issue by Council on 6 October 2021.

The full financial statements of the Council and group have been prepared in accordance with the requirements of the LGA 2002, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The full financial statements have been prepared in accordance with Tier 1 Public Benefit Entity (PBE) accounting standards.

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements.

The summary financial statements are in compliance with Public Benefit Entity Financial Reporting Standard 43 (PBE FRS 43).

An unmodified audit opinion was given on the full Annual Report by Audit New Zealand.

You can find a copy of the full Annual Report on the Council's website: [waimakariri.govt.nz](http://waimakariri.govt.nz).

### **Events after balance date**

#### **Three Waters Reform**

On 27 October 2021, the Local Government Minister announced that Central Government will proceed with the Three Waters service delivery reforms using a

legislated "all in" approach. The Three Waters Reform involves the creation of four statutory water services entities to be responsible for the service delivery and infrastructure from local authorities from 1 July 2024. There is still a number of uncertainties associated with the new Three Waters delivery model including the mechanism for how assets will be transferred to the newly established entities, and the control and governance of these entities. Notwithstanding the current uncertainty, the announcement once legislated will mean Council is no longer responsible for the delivery and infrastructure of Three Water services from 1 July 2024.

On 12 November 2021, Waimakariri jointly with Timaru and Whangarei Councils, have filed legal proceedings seeking to affirm Local Government's rights and obligations as infrastructure asset owners. It also seeks a declaration whether it would be unlawful for the Government's public education campaign to contain incorrect or misleading information in regards to local council's rights, obligations and duties. The Councils have significant concerns that the Government is proceeding on the basis of fundamental misunderstandings of the democratic importance of its definitions of Local Government and asset ownership, and feel that this process will offer us a clear and shared understanding of our rights and obligations for future negotiations.

At the same time, a letter was sent to the Prime Minister on behalf of 30 Mayors and Councils across New Zealand to seek a meeting to address the now forced Three Waters Reform. There is a general consensus that the model now being mandated wasn't acceptable to Councils or our communities. We are seeking to meet with the Prime Minister to express this view and seek more viable approaches to Three Waters Reform.

## Covid-19

New Zealand went into a national lockdown on 17 August 2021 after detecting one case of Covid-19 (Delta variant).

At the time this annual report was being prepared/finalised, Auckland, Upper Northland and parts of Waikato were at Alert Level 3 while the rest of New Zealand were at Alert Level 2.

The lockdown and potential future impacts of Covid-19 may negatively impact Council's operation and financial position. At this stage, Council had been actively monitoring these impacts.

Most staff were able to work from home during the lockdown period with essential workers being available on site.

Due to Covid-19 restrictions, the Council incurred costs and lost income. Council has adequate cash reserve (also a Covid loan account) in place to deal with unplanned events.

## Financial Benchmarking

Annual Report disclosure statement for year ending 30 June 2021

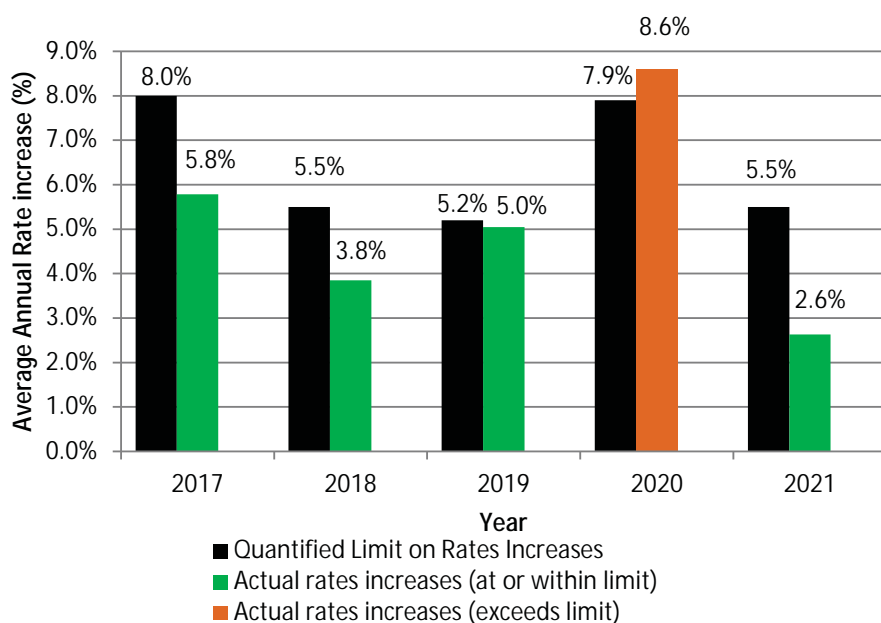
### What is the purpose of this statement?

The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its Annual Report in accordance with the Local Government (Financial Reporting Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

### Rates (increases) affordability

The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the Financial Strategy included in the Council's Long-Term Plan. The quantified limit is the average rates increase per property and the limit for each year shown is sourced from the 2015-2025 and 2018-2028 Ten Year Plans.



The rates increase for 2020 is over the limit due to additional growth and cost to meet the additional levels of service.

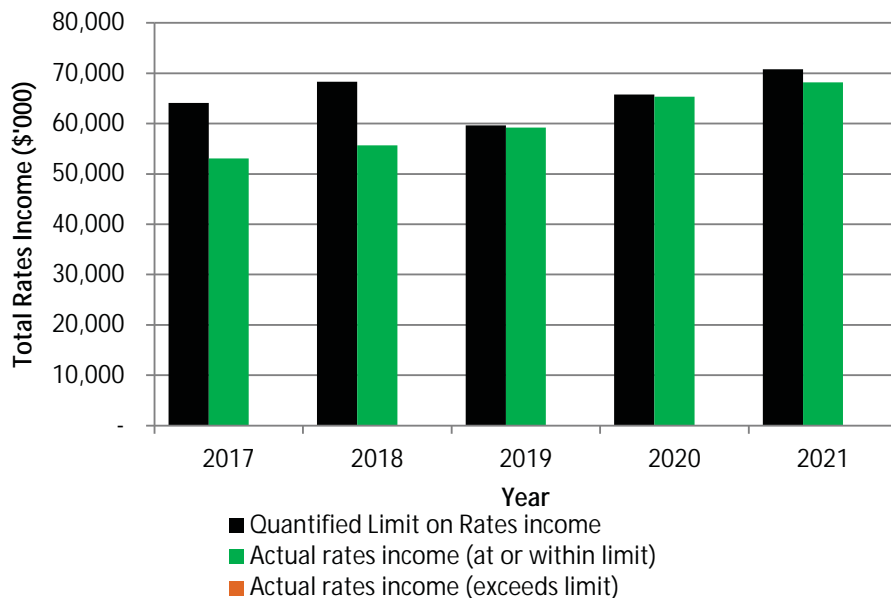
The rates increase for 2021 is under the limit due to the impact from Covid-19.



## Rates (income) affordability

The following graph compares the Council's actual rates income with a quantified limit on rates contained in the Financial Strategy included in the Council's Long Term Plan. The quantified limit is the total rates income for the Council and the limit for each year shown is sourced from the 2015-2025 and 2018-28 Ten Year Plans.

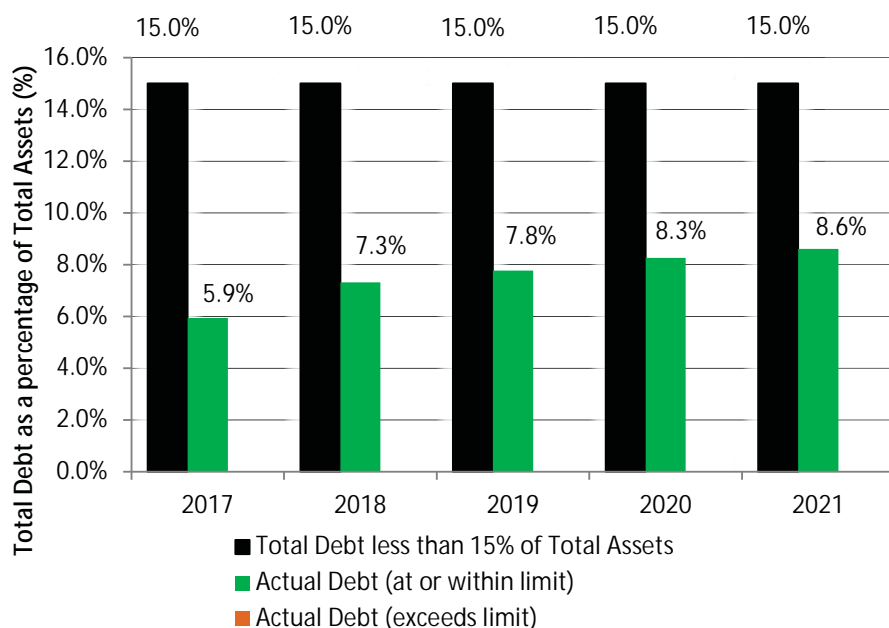
The rates income below excludes GST.



## Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the Financial Strategy included in the Council's Long Term Plan.

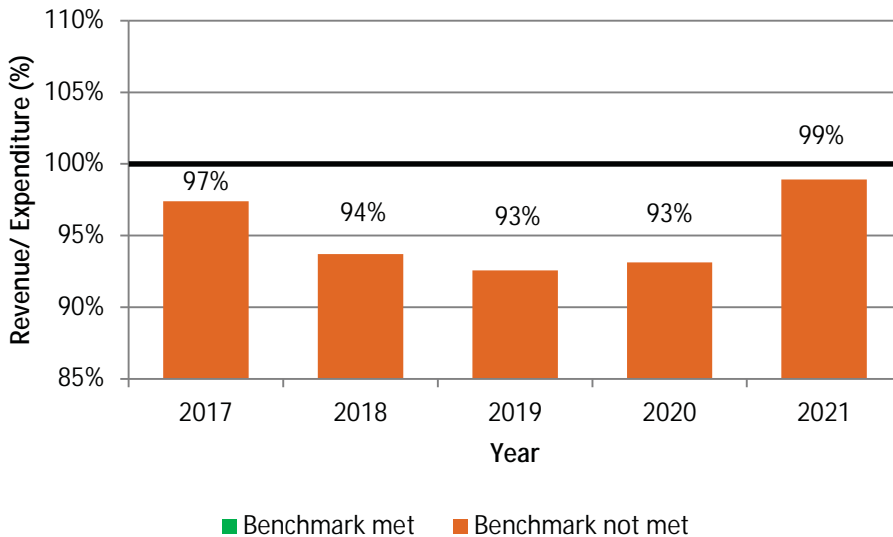
The quantified limit for the following graph is total debt as a percentage of total assets will not exceed 15%. The limit shown was sourced from the 2015-2025 and 2018-28 Ten Year Plans.



### Balanced budget benchmark

The following graph displays the Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



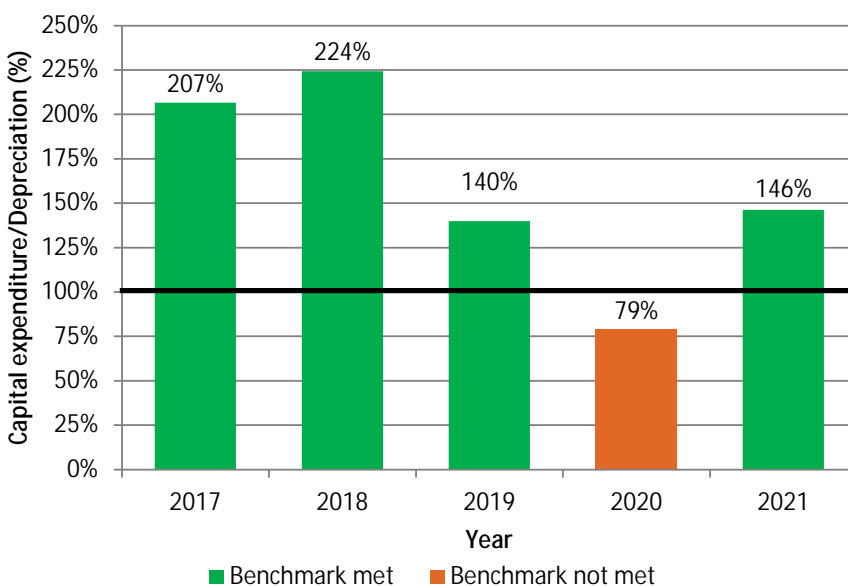
Council's operating expenses exceeded its revenue in 2017, 2018, 2019 and 2020. Council considered rate affordability by smoothing the rates increase caused by the earthquake events to outer years. Also depreciation is not fully funded due to the depreciation fund able to be invested at a higher rate than inflation over the useful life of assets.

### Essential services benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services

The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

Network services are classified as water supply, sewerage and the treatment and disposal of sewage, stormwater drainage, flood protection and control works and the provision of roads and footpaths.



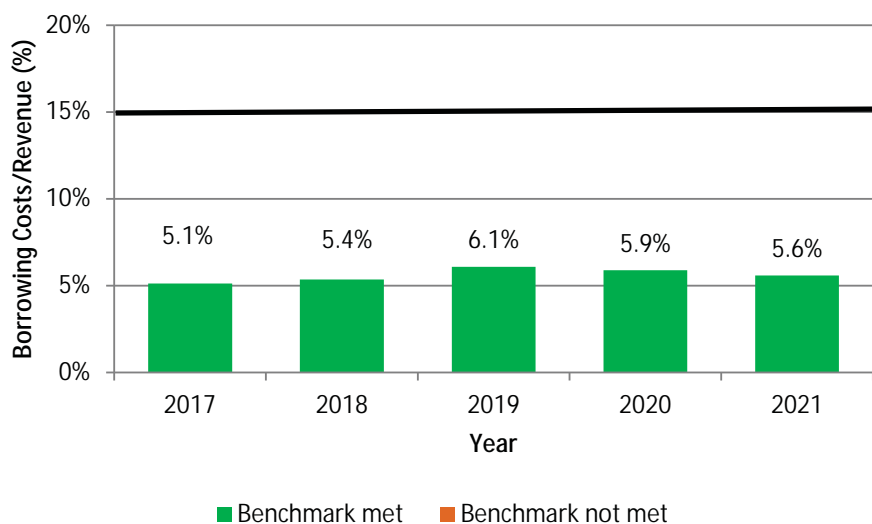
Council's depreciation on network services exceeded capital expenditure on network services in 2020 due to capital programme delays from Covid-19.



## Debt servicing benchmark

The following graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

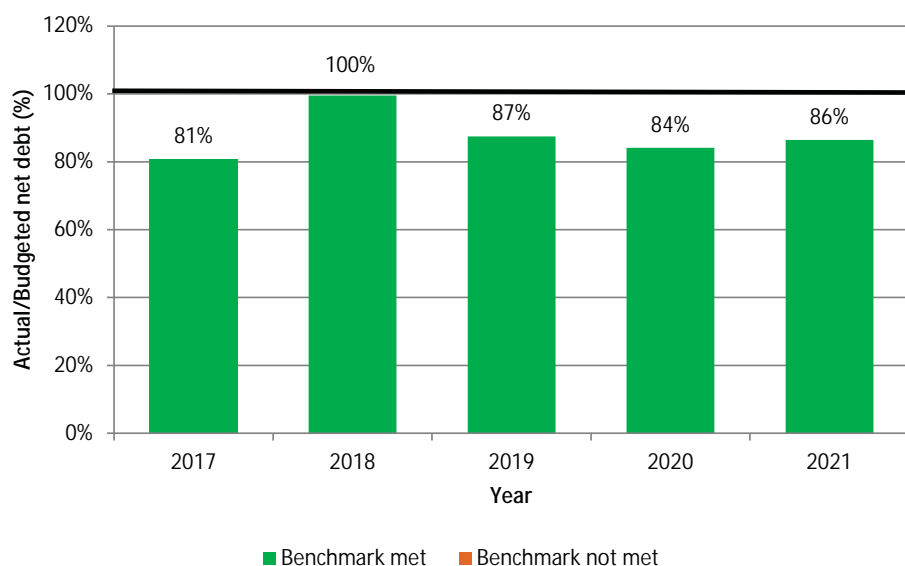
Because Statistics New Zealand projects the Council's population will grow as fast as, or faster than, the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 15% of its revenue.



## Debt control benchmark

The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

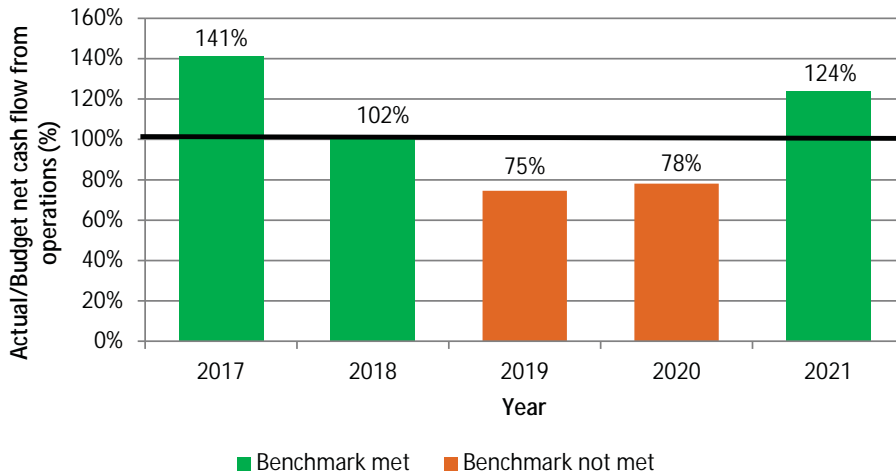
The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



## Operations control benchmark

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



### 2017

Council received more development and other contributions compared to the budget due to subdivisions completed in Rangiora, Kaiapoi and Woodend.

### 2019

Council received less earthquake recovery subsidies due to a change in Crown funding. Also contributing are Business Improvement projects which are being loan funded.

### 2020

Council received less development and other contributions compared to the budget due to major developments waiting to get to the next stage of their development.

### 2021

Council received unbudgeted Stimulus and Shovel Ready programmes funding.



## Independent Auditor's Report

To the readers of Waimakariri District Council's summary of the annual report for the year ended 30 June 2021.

The summary of the annual report was derived from the annual report of the Waimakariri District Council (the District Council) for the year ended 30 June 2021.

The summary of the annual report comprises the following summary statements on pages 4 to 23:

- the summary statement of financial position as at 30 June 2021;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2021;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary service performance results.

### Opinion

#### In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: *Summary Financial Statements*.

### Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

### The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2021 in our auditor's report dated 7 December 2021.

Our auditor's report on the full annual report includes an emphasis of matter paragraph drawing attention to the disclosures about the Government's three waters reform programme announcement as set out in the full annual report in note 30 to the financial statements. The Government announced it will introduce legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities from 1 July 2024. The impact of these reforms, once legislated, will mean that the District Council will no longer deliver three waters services. These matters are addressed on pages 18 and 19 of the summary financial statements.

### Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: *Summary Financial Statements*.

### Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: *Summary Financial Statements*.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, our reports on the disclosure requirements and this engagement, we have no relationship with, or interests in the District Council or its subsidiaries and controlled entities.



#### Yvonne Yang

Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand  
7 December 2021





